

**MINUTES OF  
MISSISSIPPI TORT CLAIMS BOARD  
THURSDAY, JULY 13, 2017**

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The Mississippi Tort Claims Board (Board) meeting was held at 1:30 p.m. in Room 138, Woolfolk State Office Building; 501 North West Street; Jackson, Mississippi.

The following members were present, constituting a quorum:

Edds, Steve; Chairman  
Jackson, Laura; Executive Director, MS Department of Finance & Administration  
Kelsey, Christina; Representing Insurance Commissioner Mike Chaney  
Rikard, Gary; Executive Director, MS Department of Environmental Quality  
Williams, Michelle; Representing State Treasurer Lynn Fitch  
Younger, Jim; Representing Public Safety Commissioner Marshall Fisher

Also present were:

Burkhalter, Chris; Bickerstaff, Whatley, Ryan & Burkhalter  
Donaldson, Bruce; Tort Claims Board  
Kelly, Trina; Tort Claims Board  
Logan, Jim; Tort Claims Board  
McElroy, Lea Ann; Tort Claims Board  
Milner, Steve; Tort Claims Board  
Stephenson, Matt; Bickerstaff, Whatley, Ryan & Burkhalter  
Tipton, Roy; Attorney General's Office  
Wells, Teresa; Tort Claims Board  
Wilson, Jeff; Trinity Capital

The Chairman called the meeting to order.

Motion was made by Mrs. Jackson to approve the minutes of the May 11, 2017, meeting. Mrs. Kelsey seconded the motion, which passed unanimously. Motion was made by Mrs. Kelsey to approve the minutes of the June 21, 2017, special called meeting. Mr. Rikard seconded the motion, which passed unanimously.

There was no Old Business.

In New Business, Chris Burkhalter, the Board's actuary, presented his report reviewing fiscal year 2017 and providing funding recommendations for fiscal year 2019 (which will be collected in fiscal year 2018). There are two facets to this report: (1) the overall financial audit of the Fund at June 30, 2017, quantifying the total reserve, and (2) assessments. Reserves include both case reserves and actuarial reserves (or IBNR – Incurred But Not Reported) because we know there are claims out there that have not yet been reported. The two together make a complete picture for \$13 million – approximately \$8 million in case reserves and another \$5

million in IBNR. Following the turmoil in the Fund and legislation over the past year, assets have dipped a little below the fully-funded level. The claim count for fiscal year 2017 hit a 20-year low at 903, so claim frequency is not a problem. However, we have seen a significant uptick in claim severity over the last two years, which will be something to watch to see if that continues. Overhead expenses are consistent with previous years and very low as a percentage of total expenditures (15%), which compares very favorably with the insurance industry. We are delivering liability insurance to the State agencies very efficiently with \$0.85 of every \$1.00 going to pay claims. Our estimated equity at June 30, 2017, is roughly \$3.6 million in the hole (if all claims came due today). Liability insurance has a long tail line, so while it is something to keep an eye on, we should be able to close that gap. The assessment recommendations for fiscal year 2019 range from \$4.0 million (low) to \$5.4 million (high), with the recommendation being the central estimate of \$4.7 million. Following discussion, Mrs. Jackson made the motion to accept the recommendation of \$4.7 million. Mrs. Kelsey seconded the motion, which passed by unanimous vote. A breakdown of the assessment by agency will be provided at the September meeting.

Also under New Business, Mr. Logan presented the Budget Request for Fiscal Year Ending June 30, 2019. The 2019 request is a \$6.5 million request in Special Fund authority - a level request from the fiscal year 2018 Special Fund appropriation. Following discussion, Mr. Younger made a motion to approve the budget request as presented. Mr. Rikard seconded the motion, which passed unanimously.

Mr. Logan presented the financial report for fiscal year 2017 through June 30, 2017. Total expenses are just under \$4.7 million, leaving us with a General Fund balance of \$2,644. Any balance remaining after the lapse period will go back into the State General Fund. Claim reserves are just over \$8 million. Claim payments total just over \$2.8 million, and legal expenses total just over \$900,000. The Average Claim Paid for the period is just over \$3,800 and Average Reserve is just under \$17,000. Looking at the Budget Comparison Report, we began the year with a \$4.9 million General Fund budget, ended up with \$4.6 million after cuts, and spent 99.94% of our total budget.

Mr. Wilson presented the investment report through May 2017. The portfolio has a book value just over \$12.0 million, with a market value of just under \$12.0 million. The internal rate of return is at 1.5% and the book yield is 2%. We have earned just under \$200,000 for the fiscal year. In the Performance Report, Mr. Wilson noted in the Investment Performance Comparison section that we continue to lag behind the index on an income basis, but we outperform the index on a total return basis. So our market values outperform the index. This is due mainly to the fact that we have kept the portfolio shorter than the index (1.5 years for the portfolio compared to 4 for the index). At some point over the next year and a half, we should see the income numbers start to track a little closer to the custom index. As we discussed in May, we are trying to move the maturity distribution out to the 2-3 year range. Mrs. McElroy pointed out the \$1.3 million transfer from investments to the Treasury Fund to provide sufficient cash to begin fiscal year 2018.

Mr. Milner provided members a report of his Loss Control activities since the last Board meeting, noting the 10 Defensive Driving classes (8 for Medicaid, 1 for MEMA, and 1 for


Department of Rehabilitation Services) and the Risk Management presentation for MS Highway Patrol personnel with the rank of Captain and above.

Mrs. McElroy presented one (1) attorney for inclusion in the approved Attorney Register: Tristan R. Armer with Heidelberg Steinberger, P.A. in Pascagoula. Mr. Armer does meet the eligibility requirements of the Board and staff recommends approval. Mrs. Jackson moved to approve and Mrs. Kelsey seconded. The motion passed unanimously.

Mrs. McElroy presented a list of 56 political subdivisions with the recommendation that all be approved for renewal of Certificates of Coverage. Mrs. Jackson made a motion to approve the list and Mr. Rikard seconded the motion, which passed by unanimous vote.

Under Claims Report Mr. Donaldson reviewed for the Board the claim of the Estate of Dennis Triplett against the Mississippi Department of Mental Health. Staff negotiated a settlement for this case in the sum of \$355,000 subject to Board authority. Following discussion, Mrs. Jackson made a motion to approve the settlement negotiated by the staff. Mrs. Williams seconded the motion, which passed unanimously.

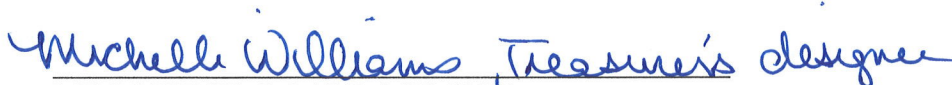
There being no further business to come before the Board, the meeting was adjourned.



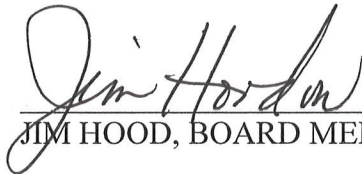
STEVE EDDS, CHAIRMAN



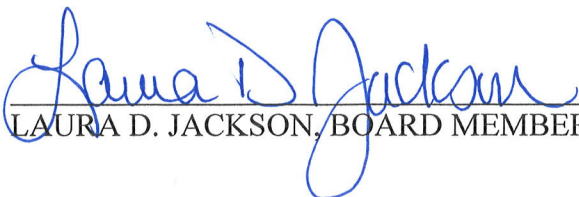
MIKE CHANEY, BOARD MEMBER



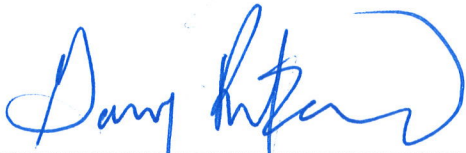
LYNN FITCH, BOARD MEMBER



JIM HOOD, BOARD MEMBER

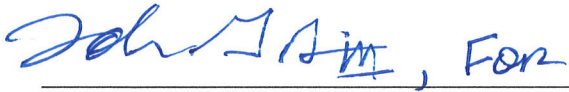


LAURA D. JACKSON, BOARD MEMBER



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GARY RIKARD, BOARD MEMBER



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MARSHALL FISHER, BOARD MEMBER



Mississippi Tort Claims Board  
July 13, 2017 - 1:30pm  
Conference Center North, Room 138  
First Floor, Woolfolk Building  
Jackson, Mississippi

ATTENDANCE LIST

<u>NAME</u>	<u>DEPARTMENT/COMPANY</u>
James W. Younger, Sr.	MDPS
Jeff Wilson	Trinity Capital
CHRIS BURKHALTER	BWR+B
MATT STEPHENSON	BORR
Jim Loy	TCB
Gary Riten	MDEQ
Julie Kelly	TCB
Bruce Donaldson	TCB
R.M. Johnston	RC
Jessie Wells	MTCB
Steven Milner	TCB
Rana Jackson	DFA
Michelle Willes	OST
Steve Edley	Bullet Snow
Christina J. Thely	MIQ



**Mississippi Tort Claims Board**  
**Thursday, July 13, 2017 – 1:30 P.M.**

**AGENDA**

- I.** Approval of Minutes
  - A. May 11, 2017
  - B. June 21, 2017 (special called meeting)
  
- II.** Old Business
  
- III.** New Business
  - A. Actuarial Report and Assessments – Chris Burkhalter
  - B. FY2019 Budget Request – Jim Logan
  
- IV.** Financial Reports
  - A. Financial Report – Jim Logan
  - B. Investment Report – Jeff Wilson
  
- V.** Loss Control – Steve Milner
  
- VI.** Attorney General’s Report – Lea Ann McElroy
  
- VII.** Certificates of Coverage – Lea Ann McElroy
  
- VIII.** Claims Report – Bruce Donaldson
  - A. Estate of Dennis Triplett vs. Mississippi Department of Mental Health
  
- IX.** Adjournment

*Next meeting date and time: September 14, 2017 – 1:30 P.M.*  
*Meeting location: Suite 138, Conference Center North, Woolfolk Building, Jackson, MS*

**MINUTES OF  
MISSISSIPPI TORT CLAIMS BOARD  
THURSDAY, MAY 11, 2017**

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The Mississippi Tort Claims Board (Board) meeting was held at 1:30 p.m. in Room 138, Woolfolk State Office Building; 501 North West Street; Jackson, Mississippi.

The following members were present, constituting a quorum:

Edds, Steve; Chairman  
Chaney, Mike; Insurance Commissioner  
Graham, Jesse; Deputy State Treasurer, Representing Treasurer Lynn Fitch  
Janous, Leigh; Deputy Attorney General, Representing Attorney General Jim Hood  
Kelsey, Christina; Representing Insurance Commissioner Mike Chaney, MS Insurance Department  
Rikard, Gary; Executive Director, MS Department of Environmental Quality

Also present were:

Donaldson, Bruce; Tort Claims Board  
Kelly, Trina; Tort Claims Board  
Logan, Jim; Tort Claims Board  
McElroy, Lea Ann; Tort Claims Board  
Milner, Steve; Tort Claims Board  
Rayburn, Amanda; Cannon Cochran Management Services, Inc.  
Stephenson, Matt; Bickerstaff, Whatley, Ryan & Burkhalter  
Tipton, Roy; Attorney General's Office  
Wells, Teresa; Tort Claims Board  
Wilson, Jeff; Trinity Capital  
Younger, Jim; Department of Public Safety

The Chairman called the meeting to order.

Motion was made by Mrs. Kelsey to approve the minutes of the March 30, 2017, meeting. Mr. Rikard seconded the motion, which passed unanimously.

In Old Business, the Chairman briefly discussed Tim Farley's Liability Claims Audit Report. Mrs. McElroy and Mr. Donaldson also addressed some of the findings noted in the report. Ms. Janous made a motion to accept the report. Mrs. Kelsey seconded the motion, which carried. Because some of the findings involved lack of timely communication from defense attorneys, the Chairman asked the Attorney General's Office to work on a policy for removing an attorney from our Approved Defense Attorney List.

There was no New Business.

Mr. Logan presented financial report for fiscal year 2017 through April 30, 2017. Total expenses are just over \$3.9 million, leaving us with a General Fund balance of \$786,735. Claim reserves are just over \$8 million. Claim payments total just over \$2.3 million, and legal expenses total \$718,109. The Average Claim Paid for the period is just under \$4,000 and Average Reserve is just over \$19,000. Looking at the Budget Comparison Report, the important thing to note is that we have spent nearly 97% of our Contractual budget and just over 83% of our total budget with two months remaining in the fiscal year. As a note, all four budget reductions were taken from the Contractual category.

Mr. Wilson presented the investment report through April 2017. The portfolio has a book value just under \$13.3 million, with a market value of just over \$13.2 million. The book yield is just over 2%. The weighted average life of our portfolio is just under 2 years, and we have earned just over \$145,000 for the fiscal year. *[Commissioner Chaney entered the meeting.]* In the Performance Report, Mr. Wilson noted in the Investment Performance Comparison section that we continue to lag behind the index on an income basis, but we outperform the index on a total return basis. So our market values outperform the index. This is due mainly to the fact that we have kept the portfolio shorter than the index.

Mr. Milner provided members a report of his Loss Control activities since the last Board meeting, noting his post-tornado safety assessments in Holmes County and Montgomery County, hurricane drill at MEMA, and two recent fire drills with the Department of Environmental Quality.

There was no Attorney General's Report.

Mrs. McElroy presented a list of 11 political subdivisions with the recommendation that all be approved for renewal of Certificates of Coverage. Commissioner Chaney made a motion to approve the list and Mr. Graham seconded the motion, which passed by unanimous vote.


Commissioner Chaney made a motion to enter a closed session to determine whether or not the Board should declare an Executive Session. Mr. Graham seconded the motion, which passed. Guests were excused from the meeting. Mr. Rikard made a motion to enter Executive Session for the purpose of discussing a claim settlement and potential litigation. Mr. Graham seconded the motion, which passed unanimously. Mr. Donaldson reviewed the claim of Morgan Herring against the Mississippi Department of Transportation with the Board. Following discussion, Mr. Rikard made a motion to approve settlement authority up to \$200,000. Commissioner Chaney seconded the motion, which passed unanimously. Commissioner Chaney then made a motion to exit Executive Session, which was seconded by Mr. Rikard. The motion passed and the open meeting resumed.

Mrs. McElroy made Board members aware of Dan Smith's boating accident and his injuries, and Mr. Tipton shared that he was the stand-in for Mr. Smith until his return.

There being no further business to come before the Board, the meeting was adjourned.

  
STEVE EDDS, CHAIRMAN

  
MIKE CHANEY, BOARD MEMBER

  
LYNN FITCH, BOARD MEMBER

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JIM HOOD, BOARD MEMBER

  
LAURA D. JACKSON, BOARD MEMBER

  
GARY RIKARD, BOARD MEMBER

  
MARSHALL FISHER, BOARD MEMBER  


**MINUTES OF  
MISSISSIPPI TORT CLAIMS BOARD  
WEDNESDAY, JUNE 21, 2017**

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A special meeting of the Mississippi Tort Claims Board (Board) meeting was held at 10:30 a.m. in Conference Room 1302, Woolfolk State Office Building; 501 North West Street; Jackson, Mississippi.

The following members were present, constituting a quorum:

Edds, Steve; Chairman  
Chaney, Mike; Insurance Commissioner  
Jackson, Laura; Executive Director, MS Department of Finance and Administration  
Luke, Ricky; Deputy Attorney General, Representing Attorney General Jim Hood

Also present were:

Donaldson, Bruce; Tort Claims Board  
Kelly, Trina; Tort Claims Board  
Kelsey, Christina; MS Insurance Department  
McElroy, Lea Ann; Tort Claims Board  
Rayburn, Amanda; Cannon Cochran Management Services, Inc.  
Sims, Trae; Department of Public Safety  
Tipton, Roy; Attorney General's Office

The Chairman called the meeting to order.

Mr. Donaldson reviewed the claim of Dutch Oil Co. against the Mississippi Department of Transportation including investigation reports, photographs, and the report of our appraiser. Following discussion, Commissioner Chaney made a motion to approve settlement authority up to \$150,000, not including loss of profits. Mr. Luke seconded the motion, which passed unanimously. Mr. Tipton, on behalf of MDOT and the Transportation Commission, thanked Board members for taking action today in an effort to limit losses and speed Dutch Oil's return to business.

Mrs. Jackson reported on the Special Session and the successful passage of the technical amendment bill that restored our special funds and our authority to assess agencies.


There being no further business to come before the Board, the meeting was adjourned.

  
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STEVE EDDS, CHAIRMAN


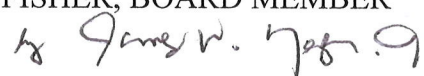
  
MIKE CHANEY, BOARD MEMBER

  
LYNN FITCH, BOARD MEMBER

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JIM HOOD, BOARD MEMBER

  
LAURA D. JACKSON, BOARD MEMBER

  
GARY RIKARD, BOARD MEMBER

  
MARSHALL FISHER, BOARD MEMBER  




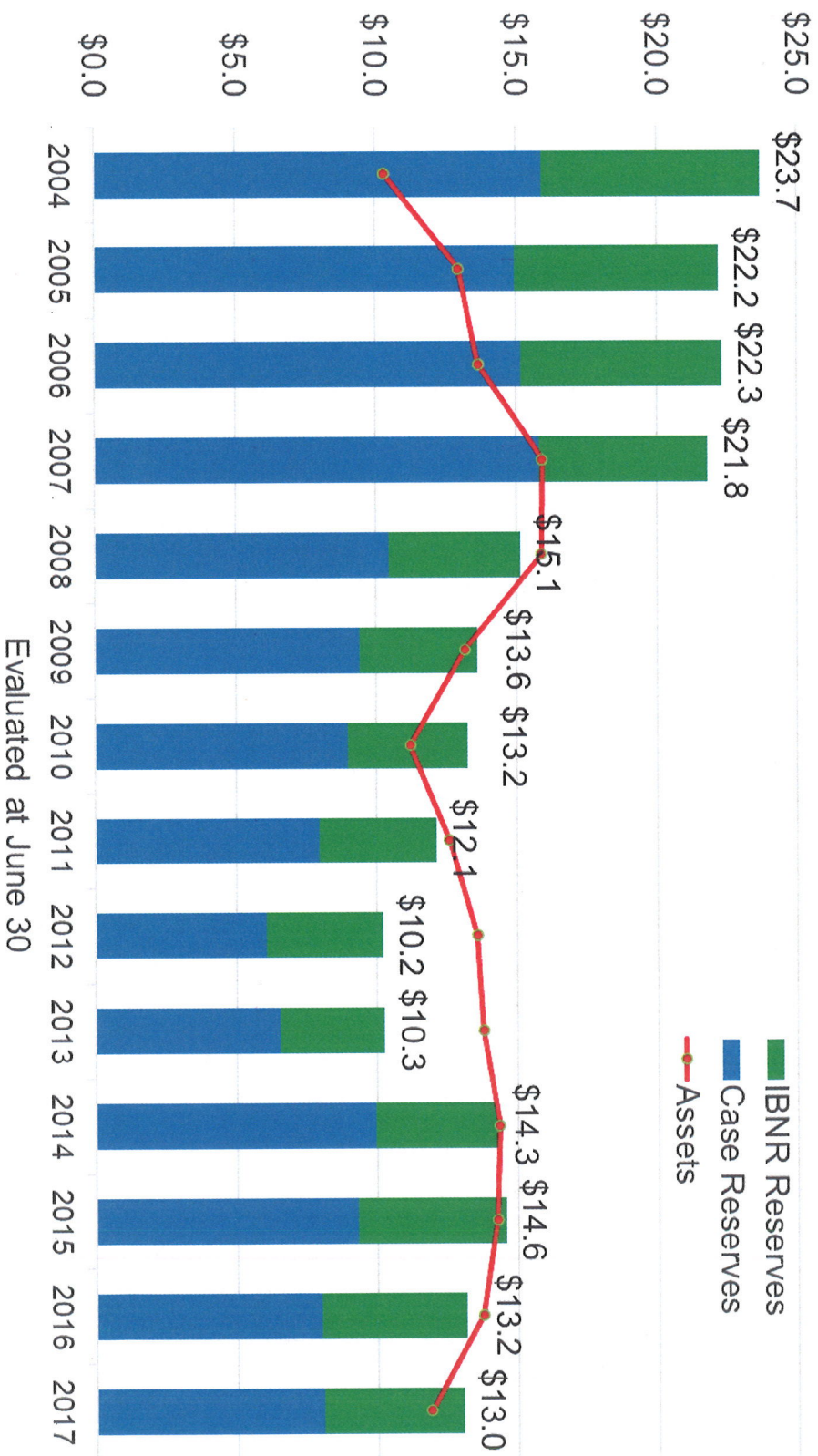
# **Mississippi Tort Claims Fund Actuarial Review 2017**

**Christopher J. Burkhalter, FCAS, MAAA**  
*Bickerstaff, Whatley, Ryan & Burkhalter, Inc.*

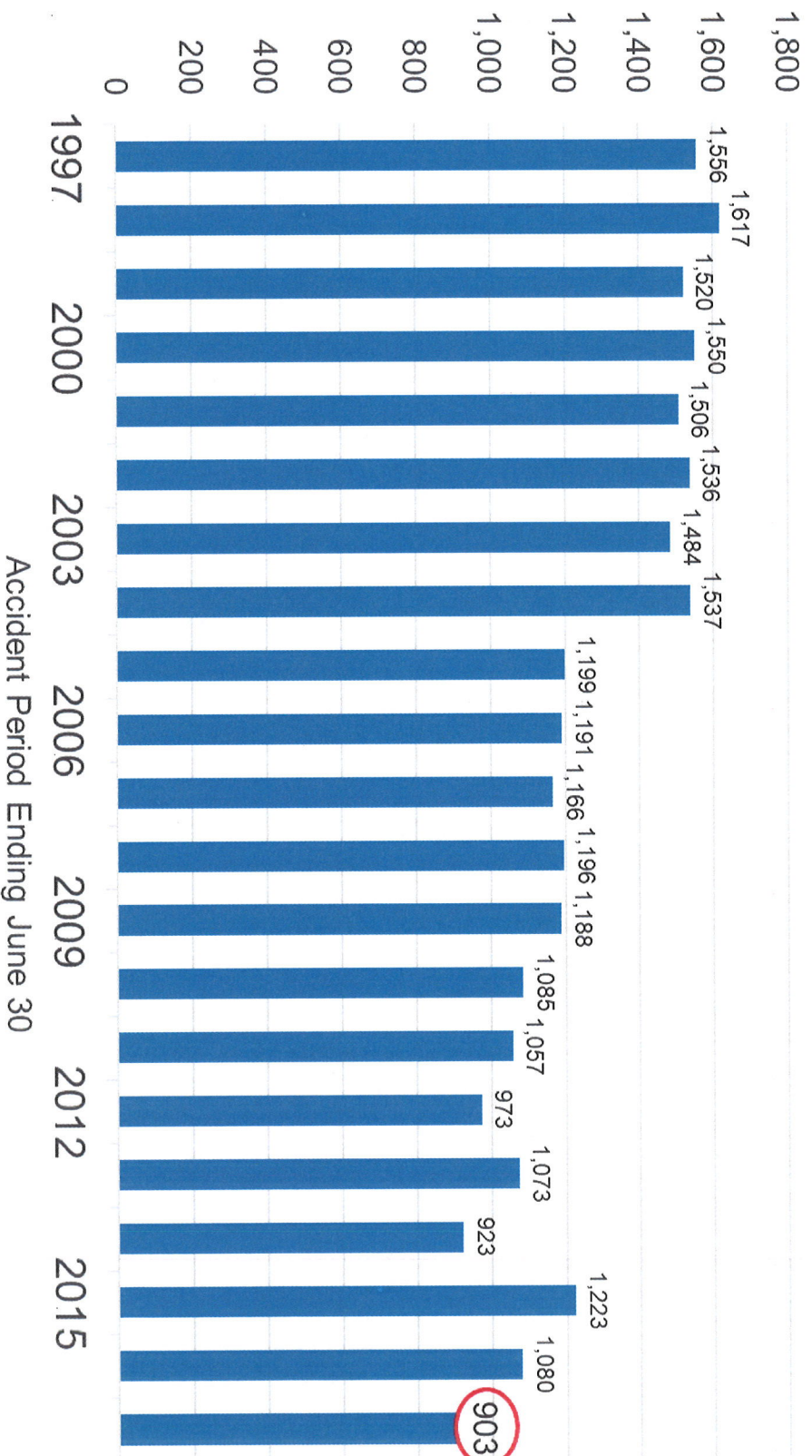
*July 13, 2017*



# MS Tort Claims Board - Historical Reserves

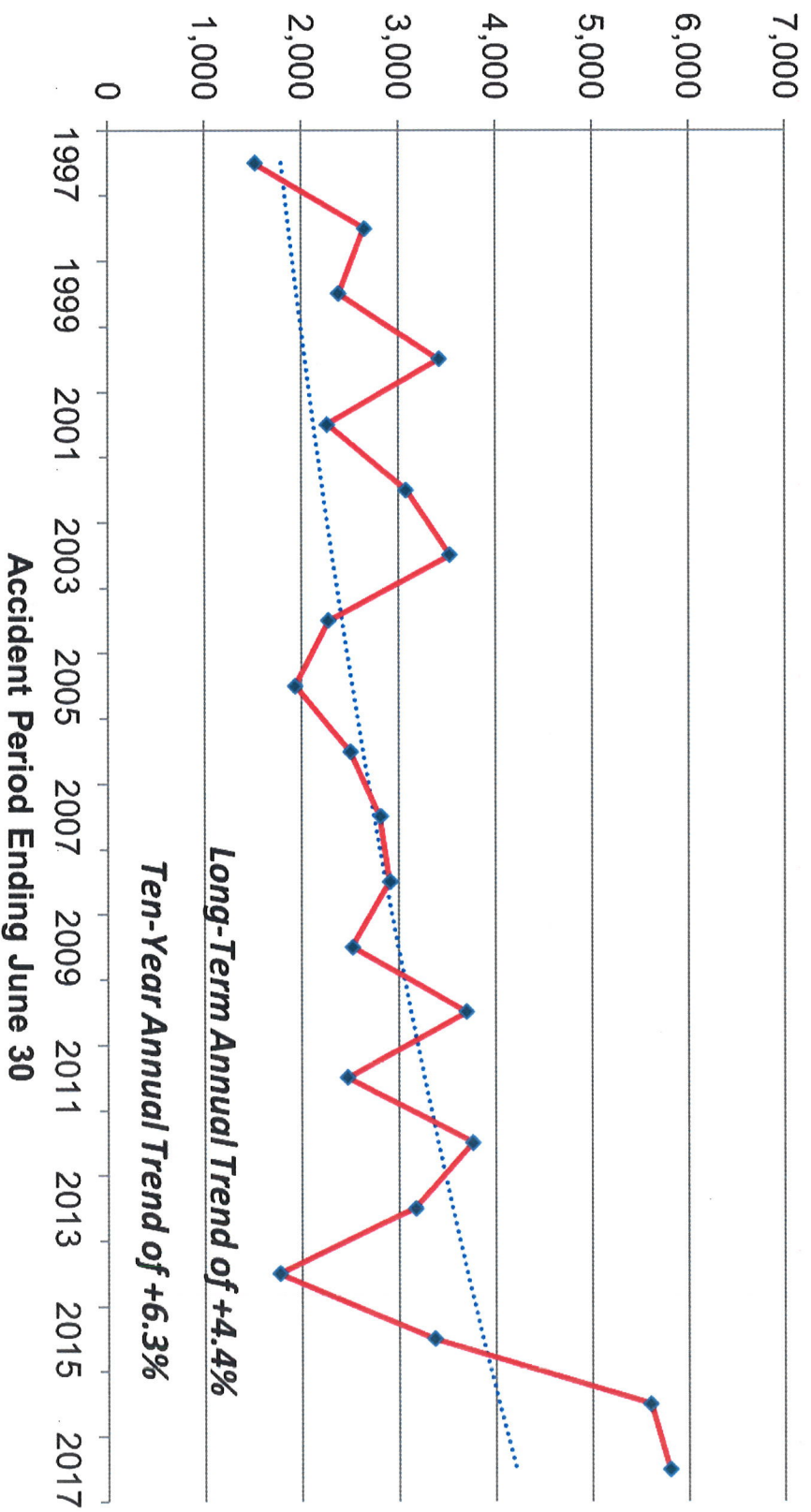


# MS Tort Claims Board - Ultimate Claim Counts

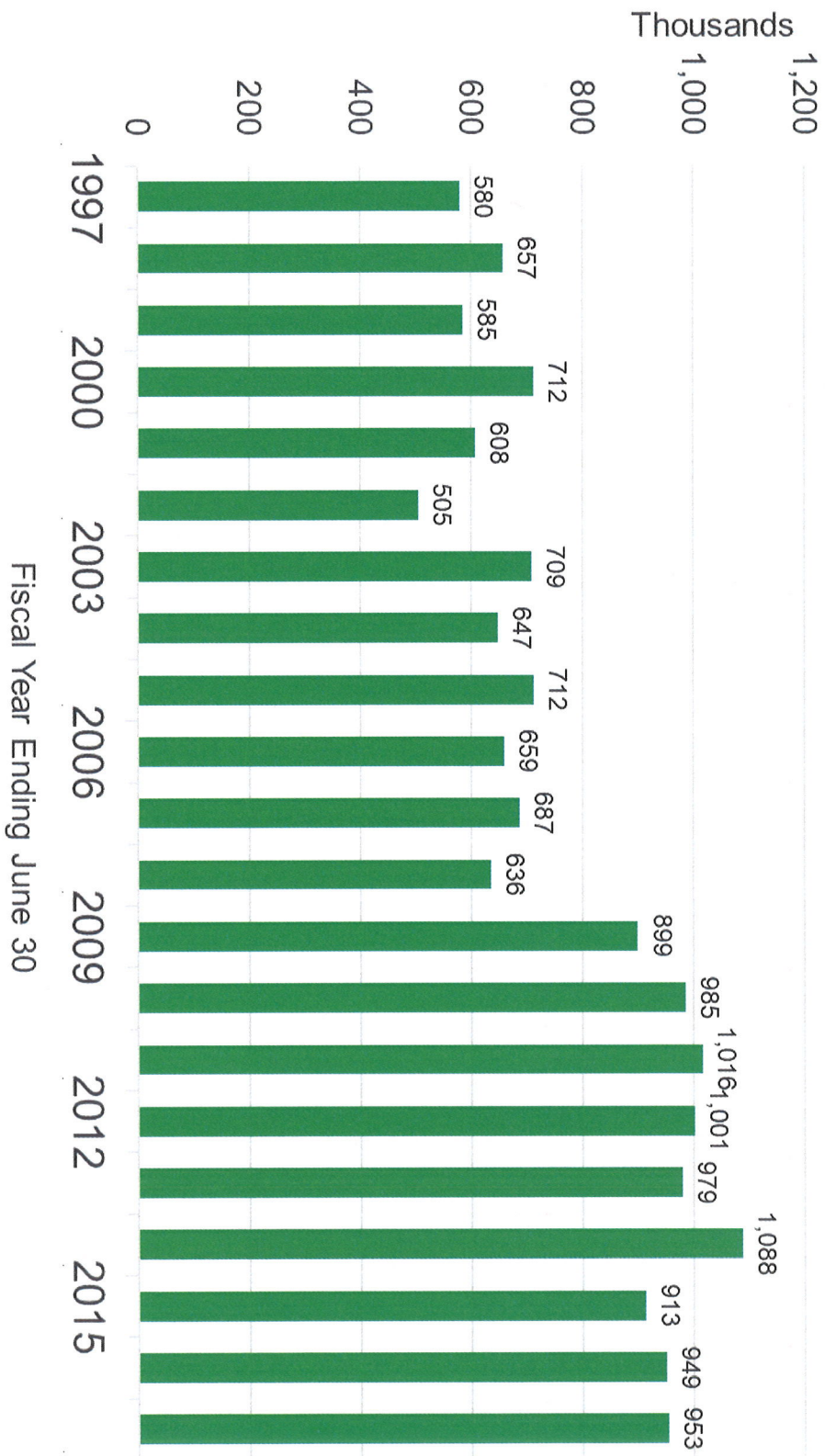




## Mississippi Tort Claims Fund Claim Severity (Ultimate Average Cost per Claim)



# MS Tort Claims Board - Overhead Expense





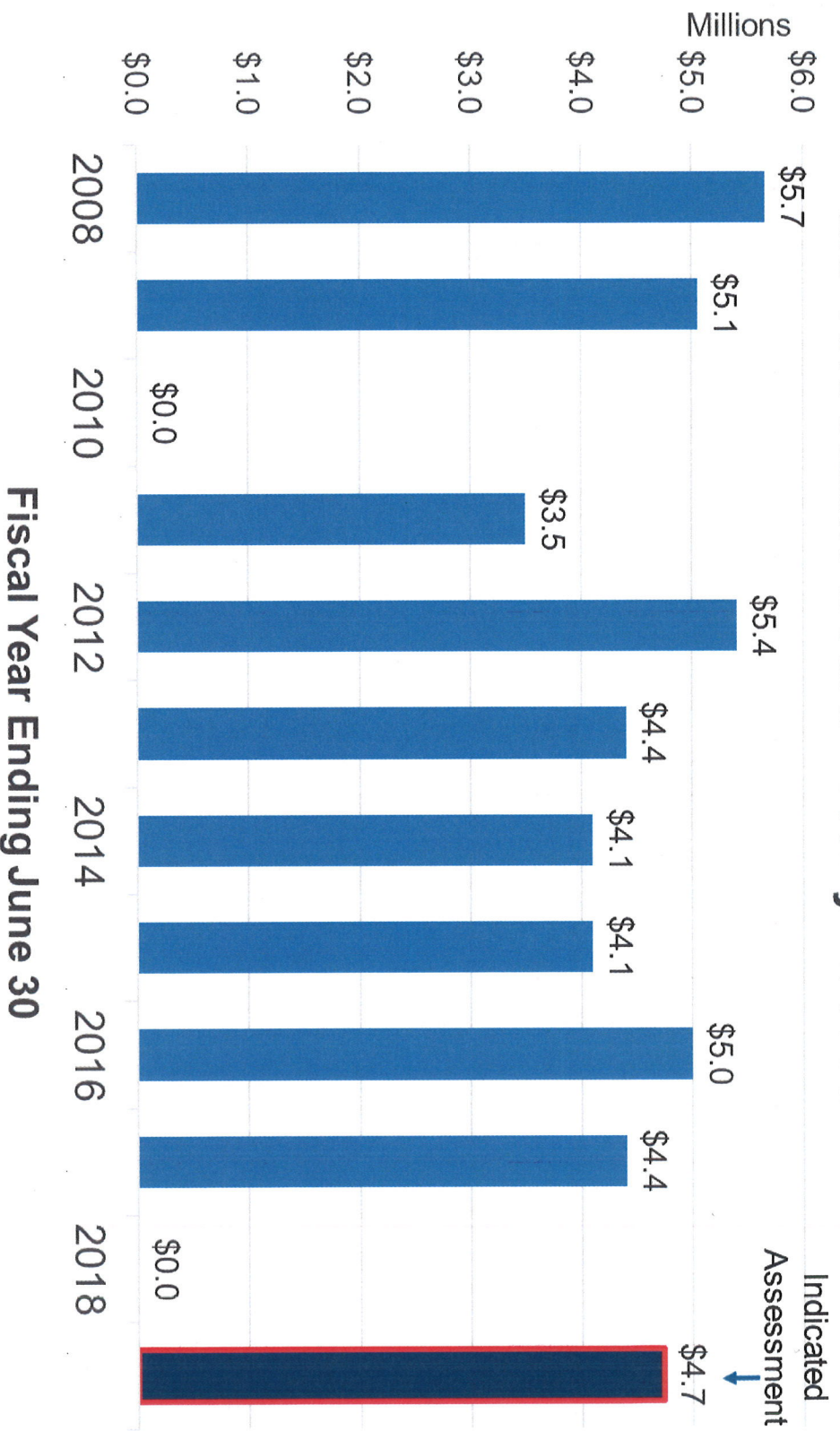
# Summary of Results

Cash & Invested Assets at 6/30/2017: \$ 11,909,351

	<u>Low</u>	<u>Central</u>	<u>High</u>
Est. Equity at 6/30/2017*	(\$ 6.1 M)	(\$ 3.6 M)	(\$ 1.1 M)
<u>Fiscal Year 2018 / 2019</u>	<u>Low</u>	<u>Central</u>	<u>High</u>
Indicated Assessment	\$ 4.0 M	\$ 4.7 M	\$ 5.4 M
<u>7/1/2017 – 6/30/2018</u>	<u>Low</u>	<u>Central</u>	<u>High</u>
Projected Cash Need	\$ 4.7 M	\$ 5.3 M	\$ 5.9 M

\* - including 2017/2018 exposure

# MS Tort Claims Board - Yearly Assessments



**MISSISSIPPI TORT CLAIMS BOARD  
BUDGET REQUEST NARRATIVE  
FOR FISCAL YEAR 2019**

The Tort Claims Board was created July 1, 1993 to administer the settlement of claims against State agencies and State employees acting within the course and scope of their employment. Funding for the program is received through assessments levied against participants in the plan. The actuarial study conducted prior to fiscal year 1998 determined that a sufficient claim experience history had been accumulated to warrant calculating assessments based on salary expenditures with a discount and/or surcharge based on loss history and agency risk. The fund is currently in line with actuarial estimates and has a liability limit of \$500,000.

The following is a discussion of the expenditure authority requested for FY 2019.

**A.1. PERSONAL SERVICES**

**\$560,000 Special Funds**

The budget request for the personal services category includes full funding of the eight (8) positions with the Tort Claims Board

**A.2. TRAVEL**

**\$4,000 Special Funds**

The Risk/Loss Control Manager is required to visit State agencies to assist them in developing risk management plans to minimize the number of tort claims. The claims management staff occasionally travels for mediation of litigation cases. Professional staff, required to remain current in developments in the tort claims field, incur travel costs to attend training seminars

**B. CONTRACTUAL SERVICES**

**\$1,650,000 Special Funds**

The budget request for the contractual services category includes expenses for routine State agency office operations, legal fees to defense attorneys, court costs, actuarial services, software acquisitions, risk management information system maintenance, and the cost of the third party administrator contract.

**C. COMMODITIES**

**\$7,000 Special Funds**

The budget request for commodities includes expenses for office supplies, printing, equipment repair parts, fuel and basic maintenance on state vehicle, safety training materials, and other supplies and materials for routine office operations.

**D.2. CAPITAL OUTLAY - EQUIPMENT**

**\$1,500 Special Funds**

The budget request for capital outlay - equipment includes expenses for office machines, furniture, fixtures, and other equipment.

**E. SUBSIDIES, LOANS & GRANTS**  
**\$4,300,000 Special Funds**

The budget request for subsidies, loans, and grants includes claims payments made by the Tort Claims Board through State Treasury Fund, and claims payments and claims expenses paid by the Third Party Administrator through the Tort Claims Board checking account.

**MISSISSIPPI TORT CLAIMS BOARD**

Budget Report

Budget Request for FY 2019

Category	Budget Actual FY 2017	Budget Estimate FY 2018	Budget Request FY 2019	Increase / Decrease
A1-Salaries	554,581.22	560,000.00	560,000.00	0.00%
A2-Travel	2,089.95	4,000.00	4,000.00	0.00%
B-Contractual	1,292,313.20	1,650,000.00	1,650,000.00	0.00%
C-Commodities	4,284.84	7,000.00	7,000.00	0.00%
D2-Capital Outlay	0.00	1,500.00	1,500.00	0.00%
E-Subsidies	<u>2,835,158.90</u>	<u>4,300,000.00</u>	<u>4,300,000.00</u>	<u>0.00%</u>
<b>TOTAL</b>				
<b>EXPENDITURES</b>	<b><u>4,688,428.11</u></b>	<b><u>6,522,500.00</u></b>	<b><u>6,522,500.00</u></b>	<b><u>0.00%</u></b>

**PERSONNEL DATA**

Permanent Full Time	8	8	8
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**MISSISSIPPI TORT CLAIMS BOARD**  
**Combined Financial Report - Fiscal Year 2017**  
**General Fund 2208000000**

	May	June	Year-To-Date
<i>GENERAL FUND EXPENSES:</i>			
Claim Losses - TCB only	3,849.55	11,516.95	119,158.90
Legal Expenses - TCB only	25,123.02	157,444.98	900,676.86
Other Expenses - TCB only	0.00	0.00	0.00
Administrative Expenses Paid	72,822.92	47,334.09	952,592.35
Transfer of Funds - Out to TPA	200,000.00	266,000.00	2,716,000.00
<b>Total Expenses</b>	<b>\$ 301,795.49</b>	<b>\$ 482,296.02</b>	<b>\$ 4,688,428.11</b>
<i>GENERAL FUND BALANCE:</i>			
Beginning Balance	\$ 786,735.40	\$ 484,939.91	
Expenses	(301,795.49)	(482,296.02)	
Adjustment (Budget Reduction)			
<b>Total General Fund Balance</b>	<b>\$ 484,939.91</b>	<b>\$ 2,643.89</b>	
Less Reserves	<b>\$ 8,308,650.39</b>	<b>\$ 8,102,464.78</b>	
<b>General Fund less Reserves</b>	<b>\$ (7,823,710.48)</b>	<b>\$ (8,099,820.89)</b>	

-----CLAIMS/RESERVES DETAIL (Year-To-Date)-----

	Tort Board	CCMSI	TOTAL
Claims - Payments	\$ 119,158.90	\$ 2,687,086.82	\$ 2,806,245.72
Claims - Legal Expenses	900,676.86	-	900,676.86
Claims - Other Expenses	-	14,918.60	14,918.60
<b>Total Paid Out to Date</b>	<b>\$ 1,019,835.76</b>	<b>\$ 2,702,005.42</b>	<b>\$ 3,721,841.18</b>
<b>OUTSTANDING RESERVES</b>	<b>458,894.62</b>	<b>7,643,570.16</b>	<b>8,102,464.78</b>
<b>Total Claims &amp; Reserves</b>	<b>\$ 1,478,730.38</b>	<b>\$ 10,345,575.58</b>	<b>11,824,305.96</b>
Number of Claims Created	455	436	891
Number of Claims Paid	284	437	721
Total Open Claims	154	323	477
<b>AVG. CLAIM \$ / # CLAIMS PAID</b>	<b>\$ 419.57</b>	<b>\$ 6,148.94</b>	<b>\$ 3,892.16</b>
<b>AVG. RESERVE / OPEN CLAIMS</b>	<b>\$ 2,979.84</b>	<b>\$ 23,664.30</b>	<b>\$ 16,986.30</b>

NOTE: Information represents combined operations for General Fund 2208000000 and the Trustmark account (utilized by CCMSI).

**MISSISSIPPI TORT CLAIMS BOARD**

Budget Comparison Report

General Fund 2208000000

Fiscal Year 2017

<b>Expenses:</b>	<b>Total Budget</b>	<b>May 2017</b>	<b>June 2017</b>	<b>Year To Date Expenditures</b>	<b>Ending Balance</b>	<b>Percent Expended</b>
A1-Salaries	\$ 555,000.00	\$ 46,165.30	\$ 46,165.43	\$ 554,581.22	\$ 418.78	99.92%
A2-Travel	2,100.00	0.00	0.00	2,089.95	10.05	99.52%
B-Contractual	1,293,128.00	51,503.11	157,936.38	1,292,313.20	814.80	99.94%
C-Commodities	4,500.00	277.53	677.26	4,284.84	215.16	95.22%
D2-Capital Outlay	0.00	0.00	0.00	0.00	0.00	#DIV/0!
E-Subsidies	2,836,344.00	203,849.55	277,516.95	2,835,158.90	1,185.10	99.96%
<b>SUBTOTAL</b>	<b><u>\$ 4,691,072.00</u></b>	<b><u>\$ 301,795.49</u></b>	<b><u>\$ 482,296.02</u></b>	<b><u>\$ 4,688,428.11</u></b>	<b><u>\$ 2,643.89</u></b>	<b><u>99.94%</u></b>
TPA Expended		<u>83,054.05</u>	<u>395,573.02</u>	<u>2,702,005.42</u>		
<b>TOTAL Combined</b>		<b><u>\$ 384,849.54</u></b>	<b><u>\$ 877,869.04</u></b>	<b><u>\$ 7,390,433.53</u></b>		

# **TRINITY**

TRINITY CAPITAL INVESTORS

July 7, 2017

Ms. Lea Ann McElroy  
Mississippi Tort Claims Board  
P O Box 267  
Jackson, MS 39205-0267

Re: May 2017 Portfolio Highlights

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Total Portfolio	Book Value	\$12,043,264
	Market Value	\$11,906,707
FY 2017 Internal Rate of Return		1.47%
Current Portfolio Book Yield		2.00%
Market Yield		2.03%
Weighted Average Life		Approximately 1.7 years
FY 2017 Earnings		193,429
Accrued Interest		46,361

**PERFORMANCE REPORT**  
State of Mississippi Tort Claims

FISCAL 2017  
June 2017

Portfolio Market Value June 30, 2016	13,151,507
Contributions	
Withdrawals	1,300,000
Realized Gains	
Unrealized Gains	-136,557
Interest / Dividends	193,429
Portfolio Market Value June 30, 2017	11,906,707
accrued interest	46,361
Average Capital	13,228,379
Total Gain	193,429
<b>FY 2017 IRR</b>	1.47% *
<b>FY 2017 Total Return</b>	0.45%
Current Portfolio Yield	2.00%

**Investment Performance Comparison**

	IRR	TRA
Account	1.470%	0.45%
Custom Index	3.06%	-0.37%

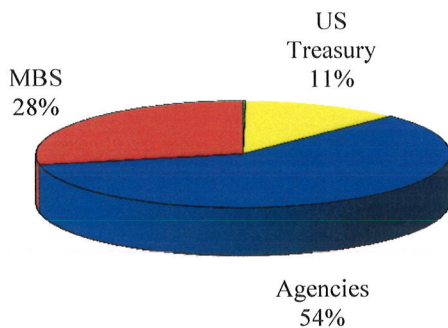
\* Weighted Average Life of portfolio is 1.7 year

**Trinity Capital Investors**

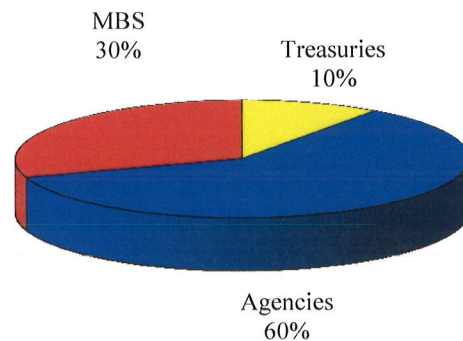
**Portfolio Composition**  
**June 2017**

Security Type	Current 6/30/2017	Current Mix	Goal 6/30/2017	Goal Mix
Cash/ Liquidity	25	0%	0	0%
US Treasury	1,500	13%	1,326	10%
Agencies	7,075	59%	7,956	60%
Bullet Maturities	1,250	18%	1,591	20%
Callables	5,825	82%	6,365	80%
Floater	0	0%	0	0%
MBS	3,365	28%	3,978	30%
Floater	489	15%	1,591	40%
CMO	2,876	85%	2,387	60%
Pass Through		0%	0	0%
Municipals	0	0%	0	0%
Taxable		0%	0	100%
Tax Free		0%	0	0%
<b>TOTAL</b>	<b>11,965</b>	<b>100%</b>	<b>13,260</b>	<b>100%</b>

**Security by Type  
(Actual)**

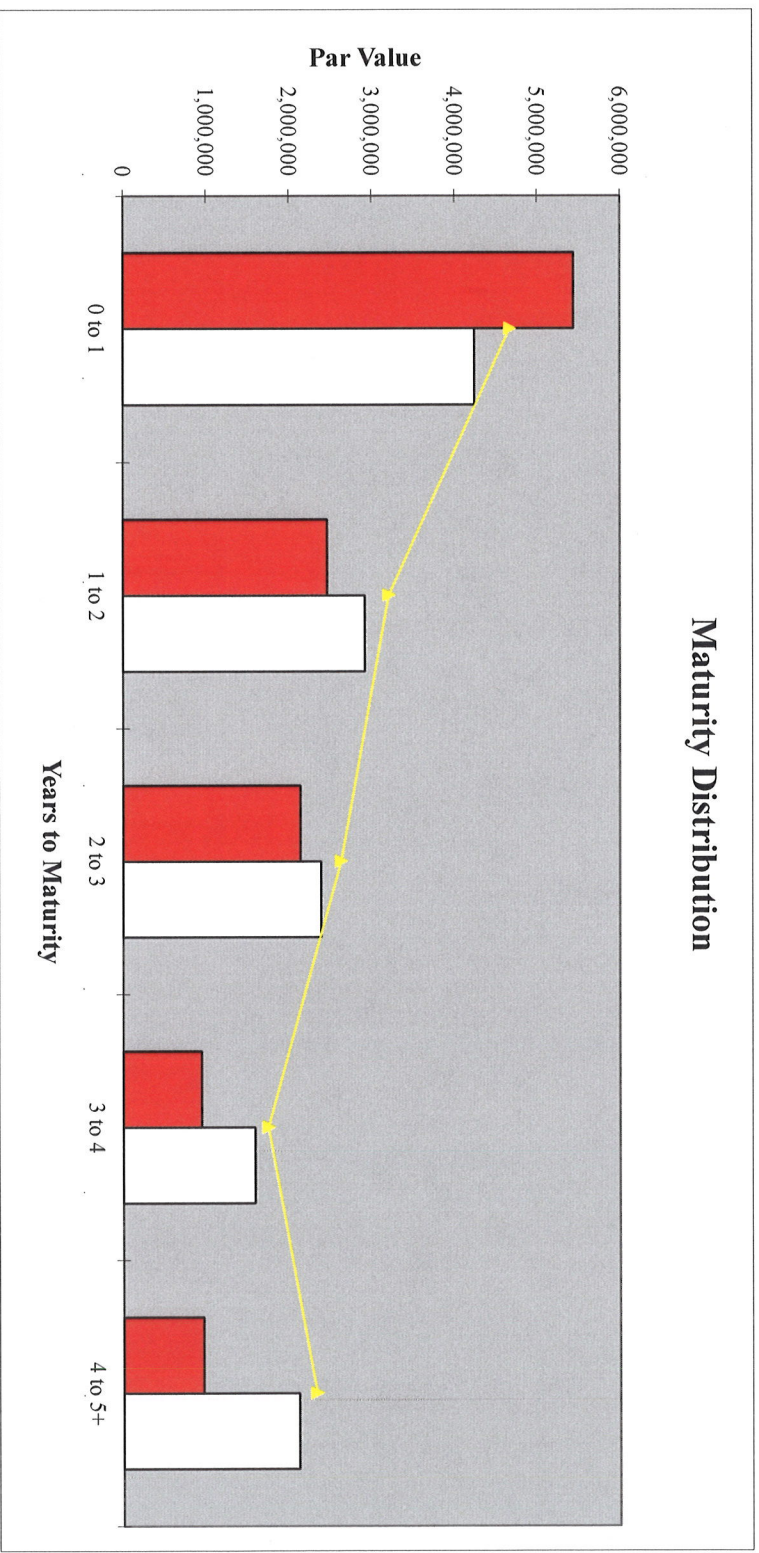


**Security by Type  
(Goal)**



*Maturity Distribution  
June 2017*

Years to Maturity	0 to 1	1 to 2	2 to 3	3 to 4	4 to 5+	TOTAL	WAL
Actual Par Value	5,443,594	2,465,981	2,143,317	945,176	966,373	11,964,441	1.66
Target Value June '17	4,243,200	2,917,200	2,386,800	1,591,200	2,121,600	13,260,000	2.16
Claims & IBNR a/o June '15	4,672,000	3,212,000	2,628,000	1,752,000	2,336,000	14,600,000	2.16





STATE OF MISSISSIPPI  
GOVERNOR PHIL BRYANT

MISSISSIPPI TORT CLAIMS BOARD  
STEPHEN C. EDDS, CHAIRMAN

MIKE CHANEY, Commissioner  
Insurance Department  
MARSHALL L. FISHER, Commissioner  
Department of Public Safety  
LYNN FITCH, Treasurer  
Department of Treasury

JIM HOOD, Attorney General  
Office of Attorney General  
LAURA D. JACKSON, Executive Director  
Department of Finance and Administration  
GARY RIKARD, Executive Director  
Department of Environmental Quality

MEMORANDUM

**TO:** Mississippi Tort Claims Board  
**FROM:** Steve Milner  
**DATE:** July 13, 2017  
**RE:** Loss Control Report

Since the last Board Meeting, loss control services for the Tort Claims Board include:

- 20 State Property Inspections
- 10 Defensive Driving Classes
- 5 Ride a Longs
- 2 Accident Investigations
- 1 Risk Management Consultation
- 2 Fire Drills
- 1 Floor Monitor Training Session
- 1 Hurricane Exercise
- 1 Risk Management Presentation



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Department of Finance and Administration  
GARY RIKARD, Executive Director  
Department of Environmental Quality

MEMORANDUM

**TO:** Mississippi Tort Claims Board  
**FROM:** Lea Ann McElroy  
**DATE:** July 13, 2017  
**RE:** Additions to Defense Attorney List

**RECOMMENDATION:** Staff recommends approval of (1) attorney for inclusion on Defense Attorney List

Honorable Tristan R. Armer  
Heidelberg Steinberger, P.A.  
Pascagoula, Mississippi 39568



LAW OFFICES OF

HEIDELBERG STEINBERGER, P.A.

GULF COAST  
JAMES H. HEIDELBERG  
KARL R. STEINBERGER  
DARYL A. DRYDEN  
STACIE E. ZORN  
TRISTAN RUSSELL ARMER<sup>1</sup>  
APRIL L. McDONALD<sup>1</sup>

<sup>1</sup>Also Licensed in Alabama

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TAMMRA CASCIO  
BENJAMIN WHITE

JACKSON OFFICE:  
1520 NORTH STATE STREET  
JACKSON, MS 39202  
TELEPHONE: 601-351-9444

July 10, 2017

via email: [LeaAnn.McElroy@dfa.ms.gov](mailto:LeaAnn.McElroy@dfa.ms.gov)  
and U.S. Mail

Ms. LeaAnn McElroy, Administrator  
501 North West Street, Suite 1301-C  
Jackson, MS 39201

RE: Panel Counsel for Mississippi Tort Claims

Dear Ms. McElroy:

Please find attached a copy of my resume. Please consider this a request to be placed on the panel of approved attorneys to handle tort claims against the State of Mississippi in Jackson, George, and Harrison Counties. In summary, I have been handling tort claims, insurance defense, and tort litigation for twenty (20) years. If you need references of my insurance defense work, please let me know and I will gladly provide them to you. For additional information about me, you can link to <https://hs-lawfirm.com/team/tristan-r-armer/>.

Please let me know if any additional steps are needed for placement onto your defense panel.

Sincerely,



Tristan R. Armer, Esq.  
For the Firm

TRA/tmr  
Enclosure

# Tristan Russell Armer, Esq.

3601 Fernwood Drive  
Ocean Springs, MS 39564  
Cell (251) 209-5342

## SUMMARY OF QUALIFICATIONS

- Attorney in private practice since 1996, licensed to practice in both Alabama and Mississippi.
- Lead counsel jury trial experience in civil and criminal matters. Represented clients in litigation matters as diverse as a multi-million dollar mass tort case to capital murder jury trial.
- Full P&L responsibility and mass marketing for private practice law firm.
- Peer recognized as a worker's compensation practitioner.

## EXPERIENCE

- 2005 - Present      **Attorney - Heidelberg Steinberger P.A.;**

Primary practice of litigation representing employers in workers' compensation claims and other general liability claims; lead jury trial counsel; ADR resolutions; criminal and regulatory defense trial attorney; and bankruptcy practice.

- 2003 - 2005      **Attorney - Managing Partner, Loris & Armer PLLC;**

Primary practice included core and adversarial bankruptcy proceedings with management, marketing and P&L responsibilities for private practice law firm with offices operating in both Hattiesburg, Mississippi and Pascagoula, Mississippi.

- 1998 - 2005      **Attorney - Founder Williams & Armer LLP;**

Primary practice included civil and criminal litigation and bankruptcy matters. Lead counsel on multiple jury, bench and arbitration proceedings.

- 2005 - 2007      **Board of Directors for BrakePro LTD/BHC LLC;**

Served on Board of Directors for a manufacturer of heavy duty friction products with a manufacturing plant in Concord, Ontario, distributions center in Atlanta, Georgia and shoe rebuilding facility in Norman, Oklahoma.

## EDUCATION

- Cumberland School of Law - (Juris Doctrine - 1996)
- James Madison University - (B.B.A, Finance - 1993)

## HONORS

- 2010-Present; Selected for inclusion in Super Lawyers for Workers Compensation
- 2007 - 2008; President of the Jackson County Bar Association

## SIGNIFICANT CASES

- *Dickerson v. Deno*, 770 So. 2d 63 (Ala. 2000); *Seward v. Dickerson*, 844 So. 2d 1207 (Ala. 2002); Both cases concerned a dispute of \$10,000,000 in lottery winnings between co-workers. The matter involved "media-management" issues as the trial was covered extensively by national and local media. The case was tried live before a jury on CourtTV and was the subject of a NBC Dateline episode.

- *Davis v. State*, 914 So. 2d 200 (Miss. Ct. App. 2005); A capital murder jury trial involving a high profile death of a police officer.
- *Fair v. Beau Rivage Resorts, Inc.*, 12 So. 3d 611 (Miss. Ct. App. 2009); A reported decision upholding a victory for a client in a heavily disputed work place injury.
- *Horne v. Mississippi Power Company and The Mobile Area Water & Sewer System*; A mass tort case involving 500 property owners flooded from an uncontrolled dam release. The case was prepared for trial before mediating a multi-million dollar settlement.

#### **BAR AND COURT ADMISSIONS**

- Mississippi Supreme Court/Alabama Supreme Court
- United States District Court, Southern and Northern District of Mississippi
- United States District Court, Southern, Middle & Northern District of Alabama
- U.S. Bankruptcy Courts of Mississippi and Alabama, Southern and Northern Districts
- Mississippi Band of Choctaw Indians Tribal Court

#### **PROFESSIONAL MEMBERSHIPS**

- Mississippi State Bar Association
- Alabama State Bar Association (Unauthorized Practice of Law Committee Member)
- Jackson County Bar Association (Past President)
- Mobile County Bar Association (Fee Dispute Committee Member)

#### **PRESENTATIONS/SEMINARS**

- "Employer and Carrier's Guide to Mississippi Worker's Compensation Claims"; Miss. State Department of Insurance accredited instructor for this annual seminar.
- Speaker at both National Bus. Institute and Sterling Educ. Serv. Worker's Compensation CLE
- Seminar instructor for National Business Conference on Foreclosure, Bankruptcy and Title Considerations.

#### **PUBLICATIONS**

- Employer and Carrier's Guide to Mississippi Worker's Compensation Claims; 85 page collaborative guide book summarizing Mississippi Worker's Compensation law.

#### **COMMUNITY ACTIVITIES**

- Member of the Gulf Coast Fisheries Management Council, Advisory SEDAR Panel
- 1996-1998 Advisory Board to United Cerebral Palsy
- Coastal Conservation Association; Chapter President
- Jackson County Harbor Commissioner

#### **HOBBIES/INTERESTS**

- Past Vestry Member of St. John's Episcopal Church, Ocean Springs, Mississippi
- Avid outdoorsman (fishing and hunting) and homebrewer
- Some Spanish language skills



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MEMORANDUM

**TO:** Mississippi Tort Claims Board  
**FROM:** Lea Ann McElroy  
**DATE:** July 13, 2017  
**RE:** Political Subdivisions – Certificates of Coverage

**RECOMMENDATION:** Staff recommends approval of 56 political subdivisions shown on attached list.

# MISSISSIPPI TORT CLAIMS BOARD

Thursday, July 13, 2017

Political Subdivisions Recommended for Renewal of Certificate of Coverage

Alphaba Cockrum Ingram Mills Volunteer Fire Department

Alcorn County Schools

Amite County Board of Education

Attala County Board of Education

Bay St. Louis-Waveland School District

Benton County School District

Bridgetown Voluteer Fire Department

Calhoun County School District

Choctaw County School District

Clarksdale-Coahoma County Airport

Cleveland School District

Columbus Municipal School District

Copiah Lincoln Community College

Durant Public School District

Forrest County School District

Franklin County School District

Hancock County School District

Hazlehurst City School District

Hollandale Consolidated School District

Jefferson County School District

Jefferson Davis County School District

Lawrence County School District

Leake County School District

Leland Consolidated Schools

Longview Fire Department

McComb School District

Mississippi Business Finance Corp.

Mississippi Levee Commissioners

Montgomery County School District

New Albany Separate School District

Newton County School District

Newton Municipal School District

North Pike School District

North Tippah Consolidated School District

Okolona Municipal Separate School District

Oxford School District

Pearl Public School District

Poplarville School District

Prentiss County School District

Richton School District

Scott County School District

Simpson County Fire Service

Smith County School District  
South Delta School District  
South Pike School District  
South Tippah School District  
Southwest Mississippi Regional Medical Center  
Starkville-Oktibbeha Consolidated School District  
Tate County School District  
Tippah Career and Technology Center  
Tishomingo County School District  
Union Public School District  
Walthall County School District  
West Point City Clerk  
West Point Consolidated School District  
Western Line School District

**Total 56**